



MONTHLY REPORT
30 sept 14

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Credit rating		
Moody's	S&P	Fitch
Baa3	BBB-	BBB-

Public debt according to national legislation (the GEO no 64/2007) includes:

- public government debt representing indebtedness incurred directly or guaranteed by the Romanian Government through MoPF, including the amounts advanced temporary from the State Treasury accounts and debt contracted by the line ministries.
- local public debt representing indebtedness incurred directly or guaranteed by the local administration unit.

Government debt according to EU methodology, means total gross debt at nominal value outstanding at the end of the year and consolidated at general government subsectors level.

A. PUBLIC DEBT ACCORDING TO NATIONAL LEGISLATION

I. Borrowing requirement

1. Borrowing requirement 2014

	2013		2014 forecast		30-sept-14	
	RON mln	% of GDP	RON mln	% of GDP	mil. RON	% din PIB
Financing needs, o/w:	72.094,9	11,3%	62.865,7	9,3%	40.593,6	6,0%
1. Deficit of general consolidated budget	15.771,3	2,5%	14.760,0	2,2%	419,1	0,1%
2. Principal repayments*, o/w:	56.323,6	8,8%	48.105,7	7,1%	40.174,5	6,0%
- refinancing of government securities issued on domestic	47.422,7		39.385,8		29.896,1	
- principal repayments on external loans:	7.500,9		7.627,9		9.209,7	
- principal repayments on local loans	1.400,0		1.092,0		1.068,7	
* debt repaid from budget	GDP	639.272,0	GDP	673.000,0		

2. Actual borrowing in 2014 up to September, 30 (mil. Ron denominated)

MFP	By Instrument		By Currency		By Market	
1-Bills	9.022,9	RON	29.794,2	Domestic	33.966,3	
1-Bonds	24.943,4	EUR	11.423,7	External	13.954,3	
Eurobonds	12.217,1	USD	6.702,8			
FX loans	1.737,2					
total	47.920,6		47.920,6		47.920,6	

Local governments total 3.156,8

Ratio of covering of financing needs 81,2%

II. Public debt stock and changes in stock

1. Public debt evolution

	December 2013		September, 2014		change	
	RON billion	% of total	mil. RON	% din total	RON billion	% of total
Outstanding of public debt	267.150,9		268.668,2			
	267.150,9	100,0%	268.668,2	100,0%	1.517,3	0,6%
Government public debt	252.179,8	94,4%	253.959,2	94,5%	1.779,4	0,7%
Local public debt	14.971,1	5,6%	14.709,0	5,5%	-262,1	-1,8%
	267.150,9	100,0%	268.668,2	100,0%	1.517,3	0,6%
Direct public debt	252.348,2	94,5%	253.472,3	94,3%	1.124,1	0,4%
Guaranteed public debt	14.802,7	5,5%	15.195,9	5,7%	393,2	2,7%
Total public debt	267.150,9		268.668,2		1.517,3	0,6%
o/w						
marketable debt	157.671,3	59,0%	170.629,0	63,5%	12.957,7	8,2%
Outstanding of Public debt /GDP	41,8%		39,9%		-1,9%	

GDP according to CNP forecast, october 2014

639.272,0

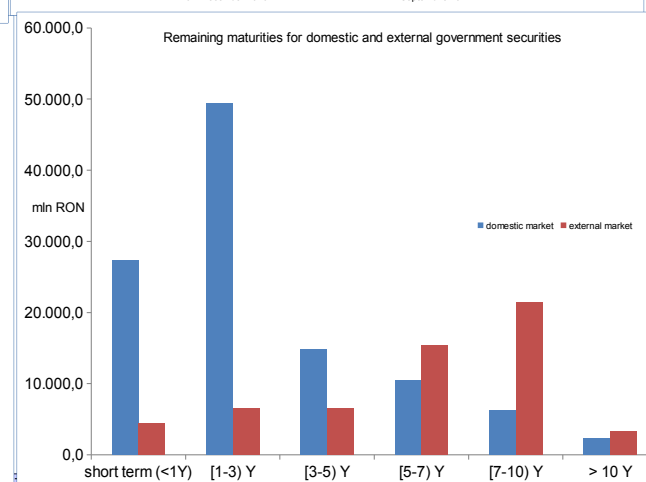
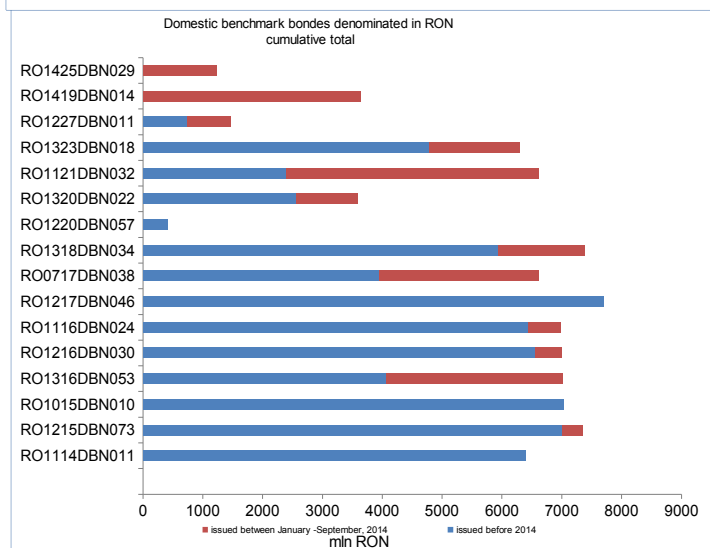
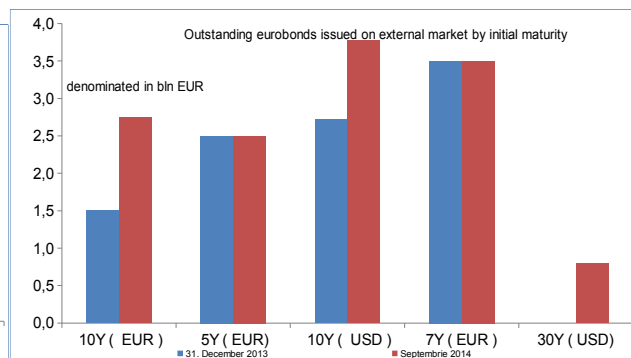
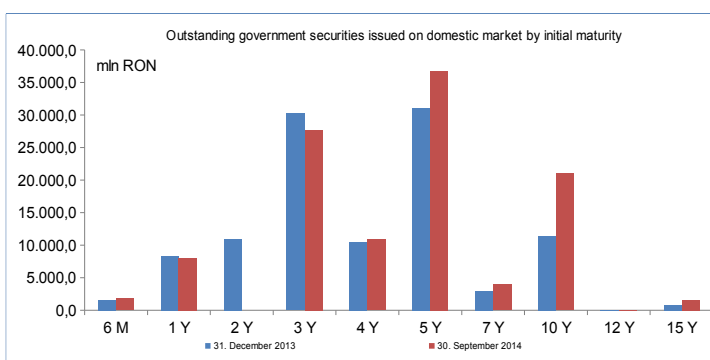
673.000,0

2. Government public debt evolution

	December, 2013	September, 2014	change	
	RON billion	mil. RON	RON billion	%
Total government public debt, o/w	252.179,8	253.959,2	1.779,4	0,7%
1. External*) , o/w:	115.625,1	123.203,3	7.578,2	6,6%
By instruments				
Eurobonds	45.841,8	58.736,0	12.894,2	28,1%
loans	69.783,3	64.467,3	-5.316,0	-7,6%
By currency				
RON	139,6	135,9	-3,7	-2,6%
USD	16.201,8	23.747,9	7.546,1	46,6%
EURO	91.594,2	95.308,3	3.714,1	4,1%
others	7.689,4	4.011,2	-3.678,2	-47,8%
By creditor				
multilateral	65.415,4	60.965,5	-4.449,9	-6,8%
bilateral	195,1	185,3	-9,8	-5,0%
private banks and others	50.014,6	62.052,5	12.037,9	24,1%
By interest rate				
fixed	95.537,1	104.955,1	9.418,0	9,9%
floating	20.088,0	18.248,2	-1.839,8	-9,2%
2. Domestic*) , o/w:	136.554,7	130.755,9	-5.798,8	-4,2%
By instruments				
T-bills	10.298,1	10.098,1	-200,0	-1,9%
Bonds	98.137,6	102.093,1	3.955,5	4,0%
loans	8.963,2	9.920,4	957,2	10,7%
others	19.155,8	8.644,3	-10.511,5	-54,9%
By currency				
RON	111.622,4	108.011,3	-3.611,1	-3,2%
USD	67,4	49,6	-17,8	-26,4%
EURO	24.864,8	22.695,0	-2.169,8	-8,7%
others				
By creditor				
multilateral	0,0	0,0	0,0	0,0%
bilateral	0,0	0,0	0,0	0,0%
private banks and others	136.554,7	130.755,9	-5.798,8	-4,2%
By interest rate				
fixed	98.137,6	102.093,1	3.955,5	4,0%
floating	38.417,1	28.662,8	-9.754,3	-25,4%
Government public debt /GDP	39,4%	37,7%	-1,7%	
GDP (mln RON)	639.272,0	673.000,0		

*) market of issuance

3. Government securities market developments



The weighted average value of the remaining maturity relating to the outstanding government securities issued on domestic market end September 2014 is 2.9 years and 7.1 years for Eurobonds issued on external markets.

4. Holdings of government securities

Holdings of government securities issued on domestic market

Category	Available at nominal value (mln RON)	(%) total
1. Banking system	59.545,3	53,4%
2. Central Depository	311,3	
3. Clients holdings:	52.265,1	46,6%
non residents *)	21.736,0	
residents, o/w:	30.529,1	
private pension funds	11.485,0	
Total	112.121,7	100,0%

*) includes government securities held by Clearstream

Holdings of government securities denominated in RON issued on domestic market

Category	Available at nominal value (mln RON)	(%) total
1. Banking system	50.722,1	52,5%
2. Central Depository	311,3	
3. Clients holdings:	46.163,7	47,5%
non residents *)	18.985,1	
residents, o/w:	27.178,6	
private pension funds	9.999,3	
Total	97.197,1	100,0%

*) includes government securities held by Clearstream

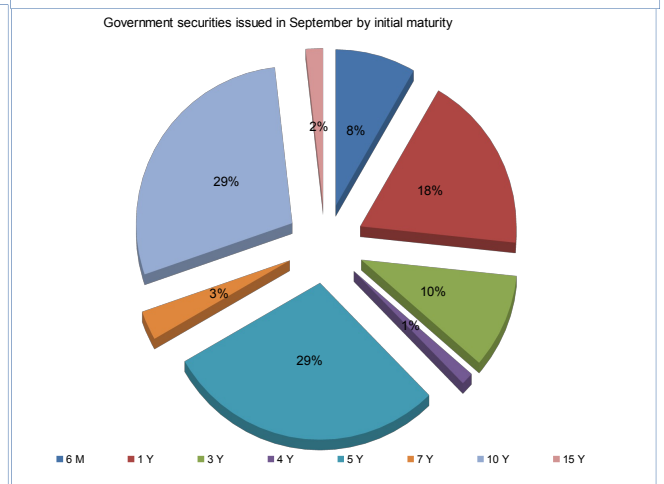
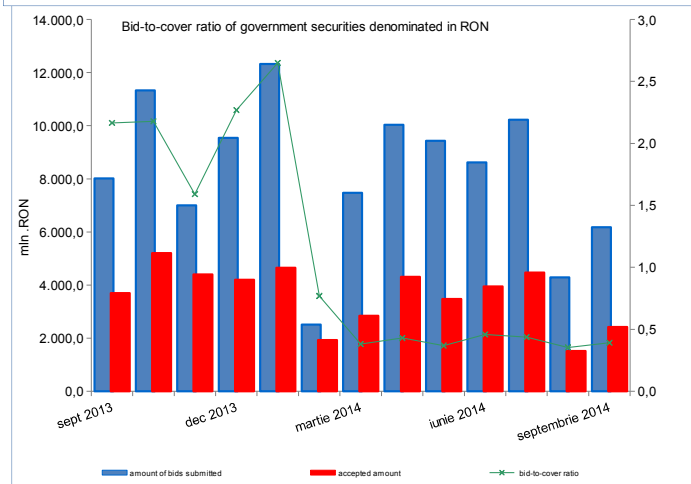
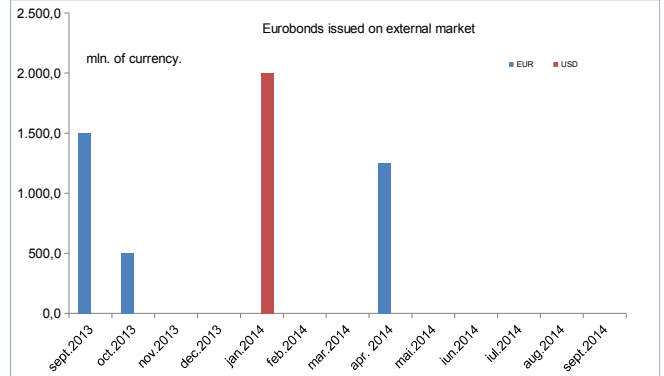
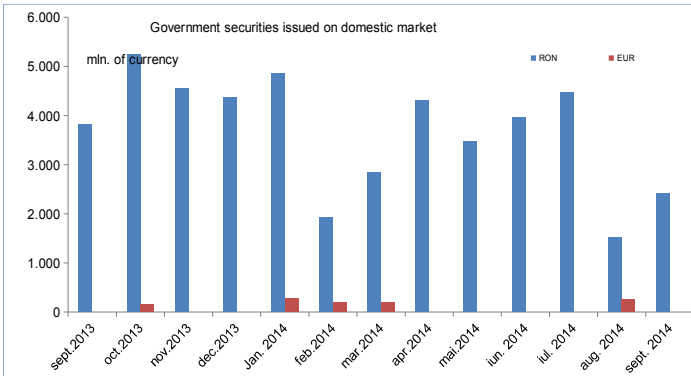
Holdings of government securities denominated in EUR issued on domestic market

Category	Available at nominal value (mln EUR)	(%) total
1. Banking system	2.000,1	59,1%
2. Central Depository	311,3	
3. Clients holdings:	1.383,1	40,9%
non residents*)	623,6	
residents, o/w:	759,5	
private pension funds	336,8	
Total	3.383,2	100,00%

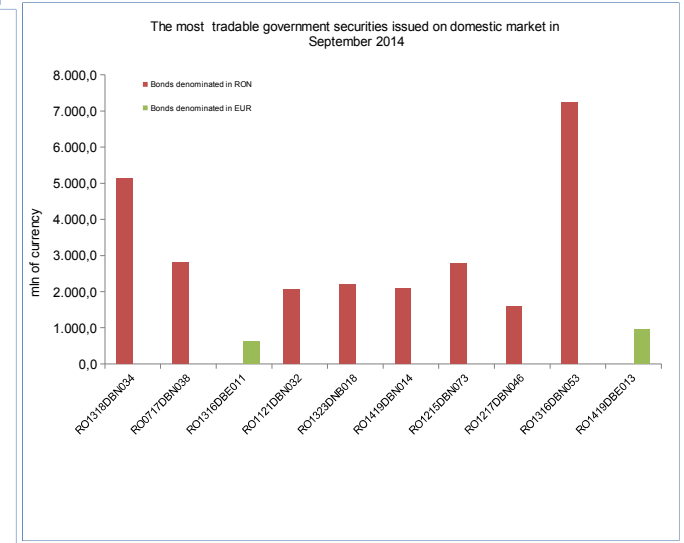
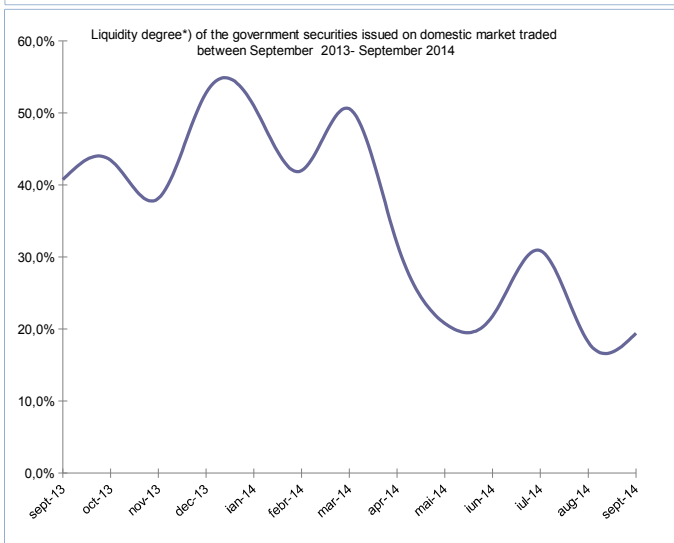
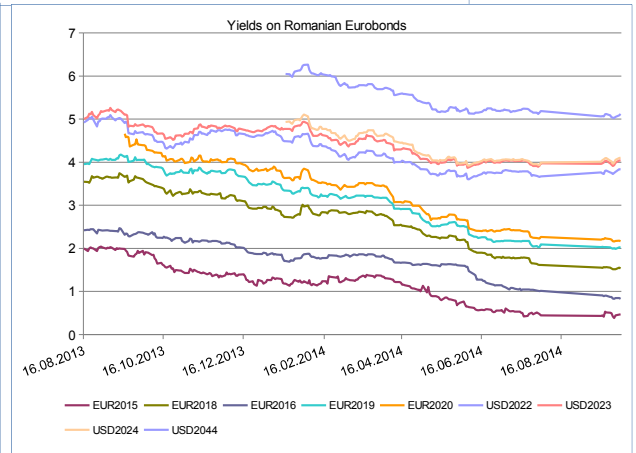
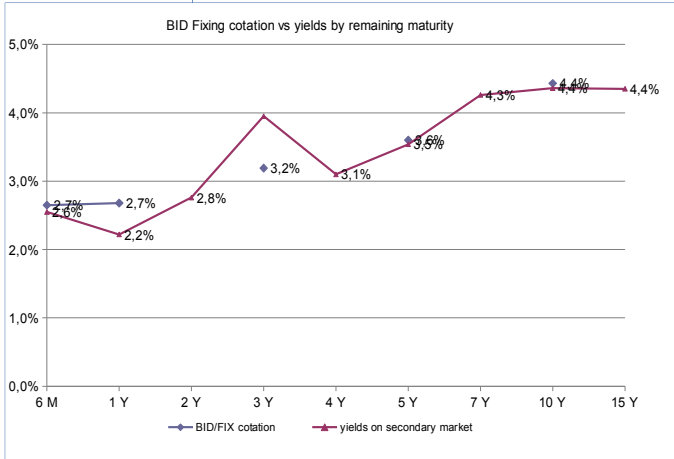
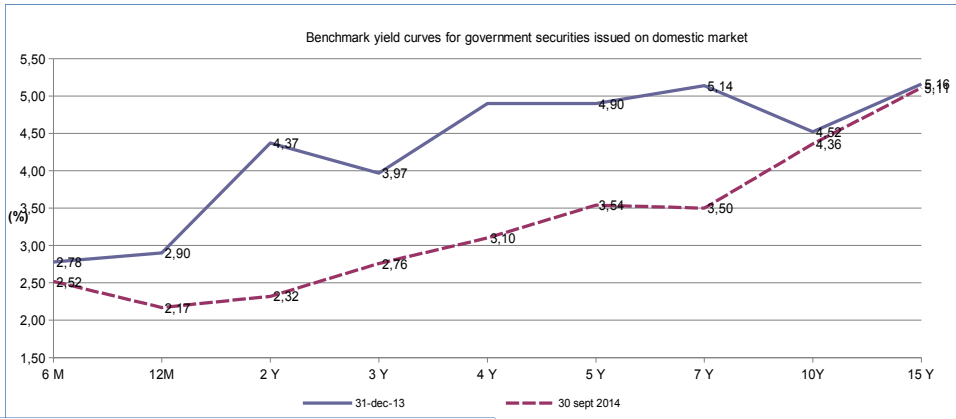
*) includes government securities held by Clearstream

III. Secondary market activities and evolution of yields on government securities

1. Borrowing in the domestic and external markets



2. Yield curve



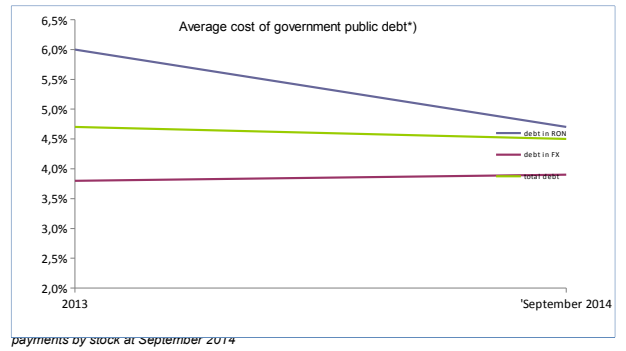
*) liquidity degree is calculated as ratio between the total volume of monthly transactions and the total volume of the government securities.

III. Cost of the government public debt

Interest payments on government public debt*)

mln. RON	2013	30.09.14	2014 (f)
domestic debt	6.426,3	5.602,9	5.754,1
external debt	3.878,6	3.794,9	4.448,5
total	10.304,9	9.397,8	10.202,6

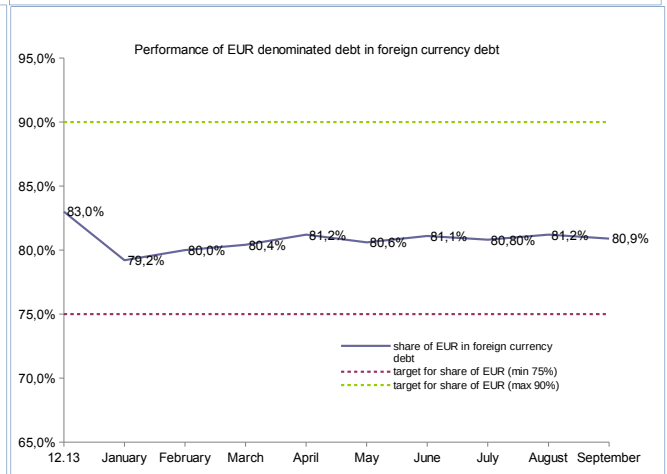
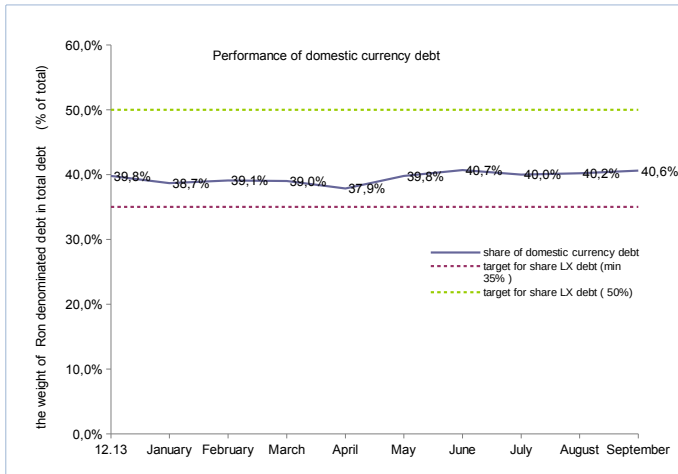
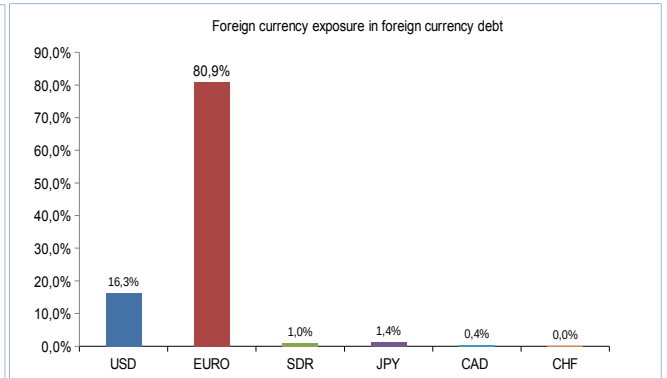
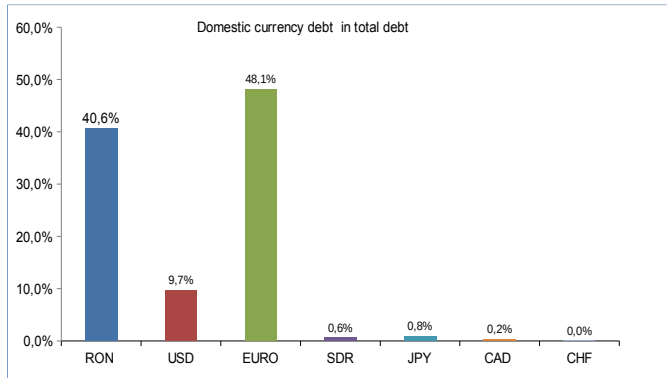
*) includes payments on direct and guaranteed debt



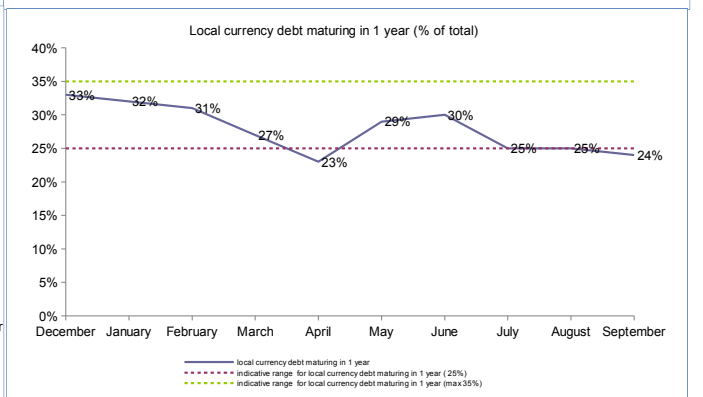
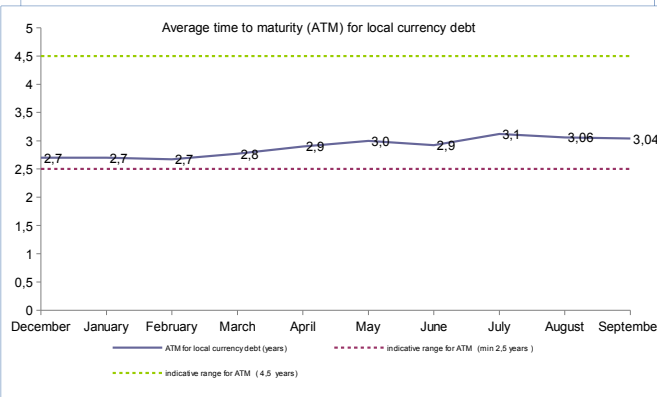
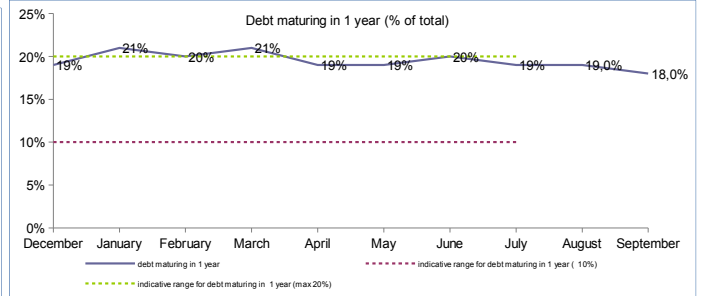
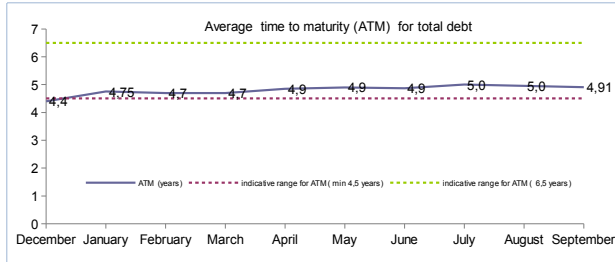
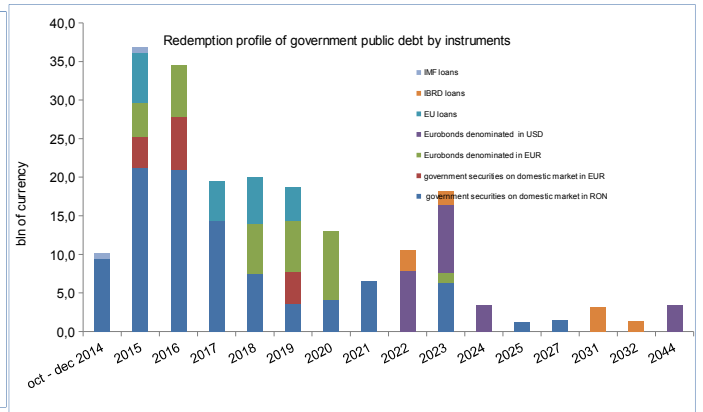
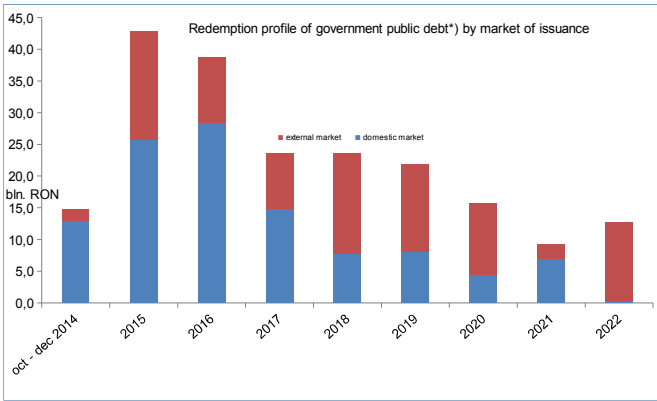
IV. Implementation of DMS 2014-2016

The revised Debt management Strategy approved by the Government at end March 2014 proposed indicative targets for managing the financial risks of the debt portfolio. The risk indicators up to end September 2014 show that the Treasury complies with the targets set in the DMS.

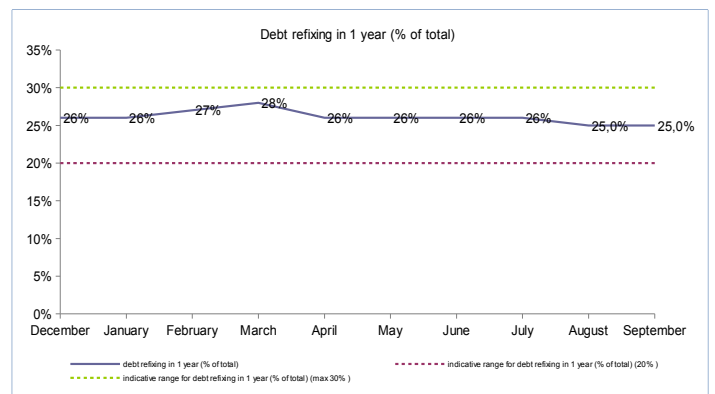
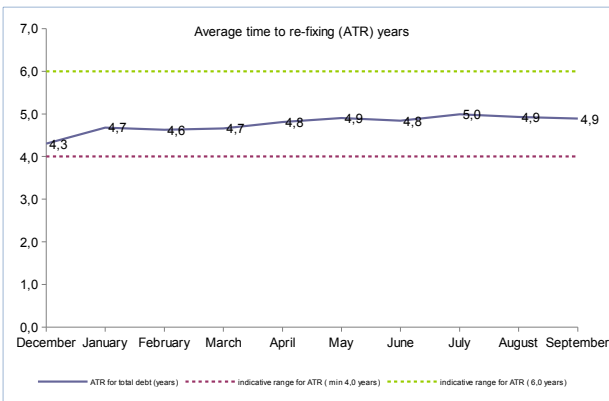
1. Currency risk

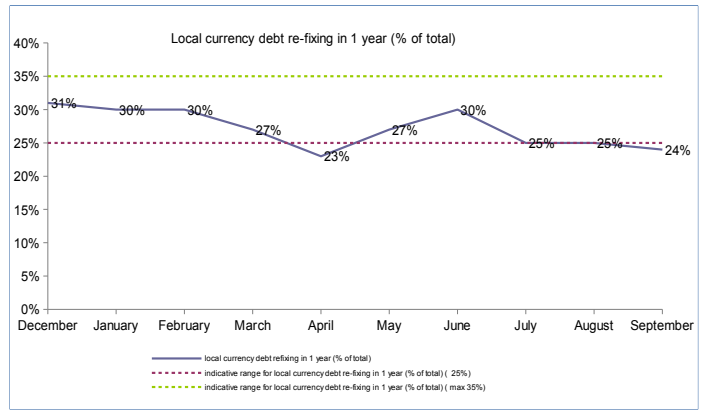
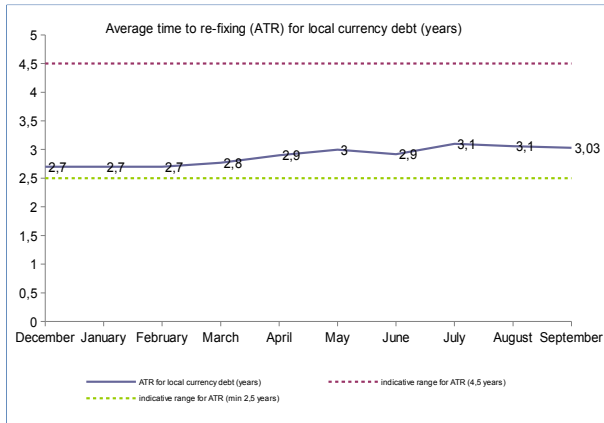


2. Refinancing risk



3. Interest rate risk

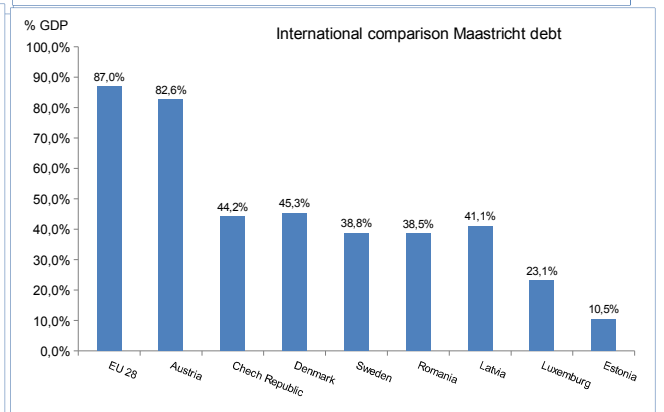
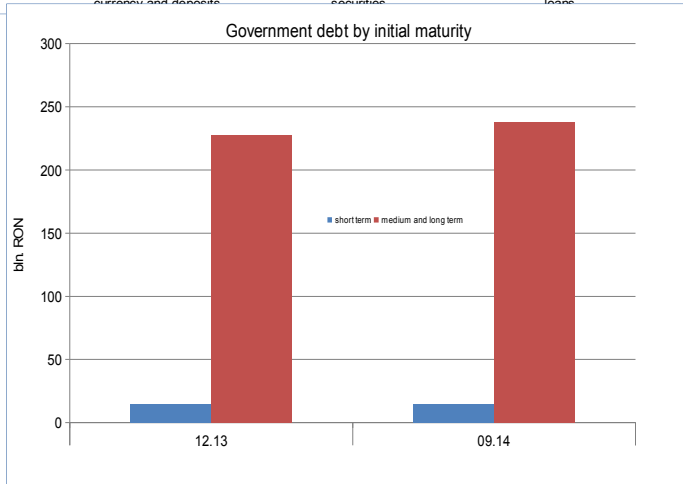
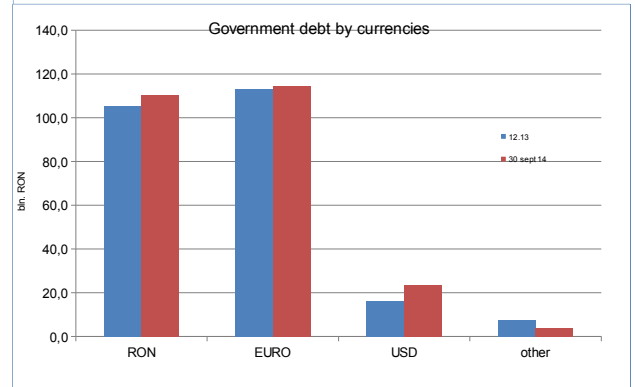
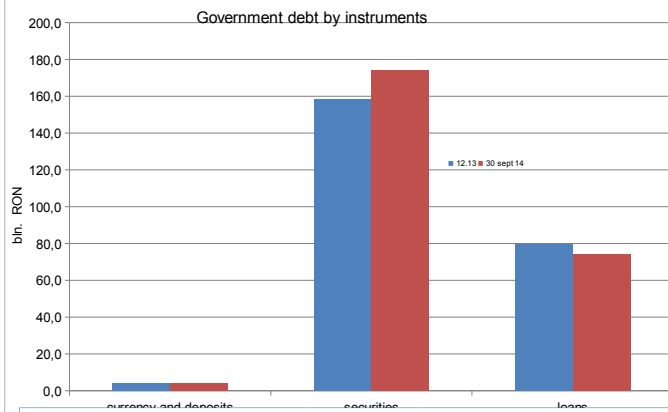




B. PUBLIC DEBT ACCORDING TO EU METHODOLOGY

	December, 2013		September, 2014		change	
	RON million	% of total	RON million	% of total	RON million	% of total
General government debt *)	242.194,0		252.686,8		10.492,8	4,3%
	%GDP	37,9%	39,7%		1,8%	
A o/w:						
Central government debt	226.718,5	93,6%	237.459,0	94,0%	10.740,5	4,7%
Local government debt	15.475,5	6,4%	15.227,8	6,0%	-247,7	-1,6%
B o/w:						
General domestic government debt	110.155,0	45,5%	120.978,5	47,9%	10.823,5	9,8%
General external government debt	132.039,0	54,5%	131.708,3	52,1%	-330,7	-0,3%

*) Eurostat calculates the GDP ratio, taking into consideration the sum of GDP for the last 4 quarters



At the end of Q2, 2014 government debt represented 38.5% of GDP, well below the level registered in the EU-28 (87% of GDP), and the Euro Zone (92.7% of GDP).